

REMARKS/ARGUMENTS

This Amendment is in response to the Office Action of September 8, 2004, in which the Examiner (1) objected to the continuation priority claim; (2) objected to the Abstract being more than a single paragraph and more than 150 words; (3) rejected claims 1 through 21 under 35 U.S.C. 101 as being directed to non-statutory subject matter; and (4) rejected claims 1-21 under 35 U.S.C. 102(e) as being anticipated by U.S. Patent No. 6,149,055 ("**Gatto**").

By the present amendment, Applicant has amended the specification to delete reference to the unidentified application filed in 2000, and has revised the Abstract to overcome the Examiner's objection. Also, claims 1 through 21 have been cancelled, and replaced with new claims 22 through 39, in order to overcome the rejection of the claims as non-statutory.

As to the rejection of the claims under 35 U.S.C. §102(e) as anticipated by **Gatto**, Applicant's point out that **Gatto** is not concerned with, nor does it show or suggest, a system like Applicant's invention where a prepaid account is maintained for the purpose of permitting withdrawals in the form of negotiable instruments. While **Gatto** does mention that an EFT system may conduct a variety of transactions, including issuing negotiable instruments (col. 5, line 41), the ATM system in **Gatto** discloses no means for issuing negotiable instruments. In addition, the system in **Gatto** is not one for maintaining an account "wherein the balance represents funds deposited to the account as advance payment for negotiable instruments, and wherein withdrawals against the account are made only by issuance of negotiable instruments" as recited in new independent claim 22.

Further **Gatto** does not disclose the other limitations recited in the dependent claims, such as the "communication link connecting the server system for receiving data from a banking institution, the data relating to a sweep account maintained by the banking institution for receiving deposits for the account holder and immediately crediting those deposits to the prepaid account" (claim 23), "wherein the deposits received at the sweep account are direct deposits through an automated clearinghouse (ACH) system" (claim 24) and "wherein the account is an anonymous prepaid account, wherein the database stores no identifying personal information concerning the account holder... and wherein the server system authorizes issuance of a

Appl. No. 09/713,770
Amdt. dated October 18, 2004
Reply to Office Action of September 8, 2004

PATENT

negotiable instrument without requiring identifying information concerning the account holder other than the account identifier and the PIN" (claims 26 and 27).

New method claim 37 recites subject matter similar to that recited in claim 22.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,



Stephen F. Jewett
Reg. No. 27,565

TOWNSEND and TOWNSEND and CREW LLP
Two Embarcadero Center, Eighth Floor
San Francisco, California 94111-3834
Tel: 303-571-4000
Fax: 415-576-0300
SFJ:bhr
60323835 v1